

Press Release

Ambo Exports Industries Limited

26 April, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 85.00 Cr.
Long Term Rating (Indicative)	SMERA D Issuer not co-operating*
Short Term Rating (Indicative)	SMERA D Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Rating Rationale

SMERA has reviewed long-term rating of '**SMERA D**' (read as **SMERA D**) and short term rating of '**SMERA D**' (read as **SMERA D**) on the Rs. 85.00 crore bank facilities of Ambo Exports Industries Limited (AEIL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before the due date.

Any Other Information: SMERA is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm> 
- Trading Entities - <https://www.smera.in/criteria-trading.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). SMERA endeavored to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

Established in 1992, Ambo Exports Industries Limited (AEIL) is a Kolkata-based company engaged in the blending, cleaning, packing and export of commodities such as maize, rice and dal. These are exported to Russia, South Africa, and Pakistan among others. The overall operations are managed by O. M Prakash Agarwal.

For FY2016, AEIL reported net loss of Rs. 7.49 cr on total operating income of Rs. 20.95 cr, as compared with net loss of Rs. 9.78 cr on total operating income of Rs.113.49 cr in FY2015.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
24 th - March-2017	Working Capital Term Loan	Long Term	55.97	SMERA D (Downgraded)
	Bank Guarantee	Short Term	0.81	SMERA D (Downgraded)
	Packing Credit	Short Term	16.10	SMERA D (Downgraded)
	Proposed Short Term Loan	Short Term	6.18	SMERA D (Downgraded)
	Funded Interest on Term Loan	Long Term	5.94	SMERA D (Downgraded)
5 th Feb'16	Working Capital Term Loan	Long Term	55.97	SMERA B-/Stable (Assigned)
	Funded Interest on Term Loan	Long Term	5.94	SMERA B-/Stable (Assigned)
	Packing Credit	Short Term	16.10	SMERA A4 (Assigned)
	Bank Guarantee	Short Term	0.81	SMERA A4 (Assigned)
	Proposed Short Term Loan	Short Term	6.18	SMERA A4 (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Working Capital Term Loan	Not Applicable	Not Applicable	Not Applicable	55.97	SMERA D Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.81	SMERA D Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	16.10	SMERA D Issuer not co-operating*
Proposed Short Term Loan	Not Applicable	Not Applicable	Not Applicable	6.18	SMERA D Issuer not co-operating*
Funded Interest on Term Loan	Not Applicable	Not Applicable	Not Applicable	5.94	SMERA D Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.